

I. PHILIPPINE NAVY (NAVAL FORCES)

STRATEGIC OBJECTIVES

MANDATE

The Philippine Navy organizes, trains and equips forces for the conduct of prompt and sustained naval operations. (Executive Order No. 292)

VISION

By 2020, we shall be a strong and credible Navy that our maritime nation can be proud of

MISSION

To organize, train, equip, maintain, develop and deploy forces for prompt and sustained naval maritime operations to accomplish the AFP mission

KEY RESULT AREAS

Just and lasting peace and the rule of law

SECTOR OUTCOME

Stable national security environment achieved

ORGANIZATIONAL OUTCOME

1. Capability to uphold the sovereignty and territorial integrity of the state assured
2. Internal stability promoted and sustained
3. Highest standard of capability and preparedness against disasters and emergencies achieved
4. Security sector reforms implemented

New Appropriations, by Program/Project

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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
100000000 General Administration and Support	P 1,413,366,000	P 627,437,000	P 1,510,000	P 2,042,313,000
200000000 Support to Operations	1,296,532,000	581,680,000		1,878,212,000
300000000 Operations	6,417,010,000	3,231,755,000	283,697,000	9,932,462,000
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MFO 1: Territorial Defense, Security and Stability Services	6,417,010,000	3,231,755,000	283,697,000	9,932,462,000
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Total, Programs	9,126,908,000	4,440,872,000	285,207,000	13,852,987,000
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PROJECT(S)				
400000000 Locally-Funded Project(s)			22,000,000	22,000,000
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Total, Projects			22,000,000	22,000,000
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TOTAL NEW APPROPRIATIONS	P 9,126,908,000	P 4,440,872,000	P 307,207,000	P 13,874,987,000
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New Appropriations, by Central/Regional Allocation

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Current Operating Expenditures

	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
REGION				
Regional Allocation	P 9,126,908,000	P 4,440,872,000	P 307,207,000	P 13,874,987,000
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National Capital Region (NCR)	9,126,908,000	4,440,872,000	307,207,000	13,874,987,000
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TOTAL NEW APPROPRIATIONS	P 9,126,908,000	P 4,440,872,000	P 307,207,000	P 13,874,987,000
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Special Provision(s)

1. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Navy hospital shall be deposited in an authorized government depository bank and shall be used to augment the hospital's MOOE and Capital Outlays: PROVIDED, That no amount therefrom shall be used for the payment of salaries and other allowances: PROVIDED, FURTHER, That at least twenty-five percent (25%) of the said income shall be used to purchase and upgrade hospital equipment used directly in the delivery of health services.

The Philippine Navy shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The Flag-Officer-In-Command of the Philippine Navy and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said financial statement is likewise posted on the official website of the Philippine Navy.

Failure to submit any of the foregoing shall render any disbursement from said income void, and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5, and Section 80, Chapter 7, Book VI of E.O. No. 292 and to appropriate criminal action under existing penal laws.

2. Fees from Use of Equipment and Facilities. Fees and charges collected by the Philippine Navy from the use of its equipment and facilities shall be deposited with the National Treasury as trust receipts and shall be used to augment its operating requirements in accordance with Sections 1 and 2 of E.O. No. 1002.

The Philippine Navy shall submit, either in printed form or by way of electronic document, to the DBM, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on its income and expenditures, and the status of the trust receipts. The Flag-Officer-In-Command of the Philippine Navy and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the Philippine Navy.

Implementation of this provision shall be subject to the provisions of COA-DBM-DOF Joint Circular No. 1-97 dated January 2, 1997.

3. Combat Expenses. An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each company or its equivalent in the Philippine Navy, may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable as combat expense against the approved budget under MOOE of the Philippine Navy, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively, and other applicable COA issuances.

4. Purchase of Medicines. The purchase of medicines by the Philippine Navy hospitals and clinics shall strictly comply with the Philippine National Drug Formulary prescribed by the DOH. They may likewise apply such other policies adopted by the DOH on the purchase of medicines, including those authorizing bulk and emergency purchases.

5. Restriction on Armed Forces of the Philippines Expenditures. No amount authorized herein shall be used to fund the expenditure requirements of military personnel in excess of the actual troop strength of the Philippine Navy.

6. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

To provide the Operational Commanders with the best mix of forces, equipment, and support attainable within fiscal constraints through a systematic, strategy-driven, capability-based processes in order to perform prompt and sustained naval operations.

Major Final Output(MFO) / Performance Indicators

Targets

MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES

Number of mission-ready fleet marine units	122
Percentage of readiness of fleet marine units	70.73%
Number of mission-ready support and sustainment units	55
Percentage of readiness of support and sustainment units	64.17%
Average response time of fleet units that can be mobilized as instructed by higher authorities	24 Hours
Average response time of marine units that can be mobilized as instructed by higher authorities	6 Hours